



# Half Year Results 2006-07

January 29, 2007

# Forward-looking statements



Statements regarding future conditions, especially the revenue and operating income are precarious and connected with risks.

Many factors are not controllable by Glunz & Jensen and the realised figures might deviate considerably from the described expectations. These factors will amongst others be major changes in the market conditions, such as the technological development, the customer portfolio, the exchange rates, and the acquisition or divestment of companies.

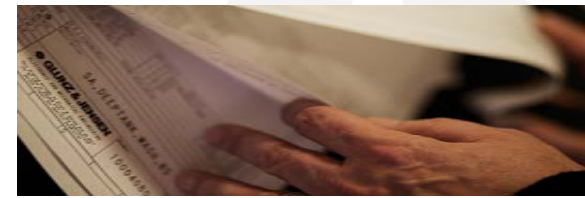
*For further information please see the section about Risk Factors in the Annual Report.*

# Agenda



- H1 2006/07 in brief
- Business report
- H1 2006/07 financials
- Amalgamation of G&J share classes
- Questions

# H1 2006/07 - Highlights



- CtP processor revenue declines 5% as sales to medium market are affected by introduction of processless plates
- G&J UK activities terminated on schedule, December 2006
- iCtP sales hampered by supply issues for proprietary plate and ink consumables
- Sales growth in Punch/Bend delayed by stronger than expected competition
- Estimated full year result reduced to DKK 0-5 million

# Key figures, H1 2006/07



1 June - 30 November	Group H1 2006/07 DKKm	Group H1 2005/06 DKKm
<b>Revenue</b>	<b>244.1</b>	<b>238.5</b>
<b>EBITA</b>	<b>3.7</b>	<b>21.3</b>
<b>Free cash flow</b>	<b>(16.0)</b>	<b>13.9</b>
<b>Net interest bearing debt</b>	<b>84.5</b>	<b>64.5 *)</b>
<b>Equity Ratio, %</b>	<b>49.9</b>	<b>48.2 *)</b>

\*) Comparison to 31 May 2006

# 2006/07 – Changed guidance



Please refer to  
'forward-looking  
statements' on  
page 2 of this  
presentation

## ■ August 2006 guidance

- Revenue in the order of DKK 485 million
- Operating Profit (EBITA) approx. DKK 15-20 million
- In addition the result for the year is affected positively by “Special items” of approx. DKK 8 million as a consequence of discontinuing the production in Thetford, England.

## ■ New guidance as of January 25<sup>th</sup>, 2007

- Revenue of **DKK 450-460 million**
- Operating Profit (EBITA) of **DKK 0-5 million**
  - Including loss of approx. DKK 25 million from the two new product groups
- In addition the result for the year is affected positively by “Special items” of approx. **DKK 4 million** as a consequence of discontinuing the production in Thetford, England.

# Business Report



# 2006/07 Business objectives

- as stated in August 2006

- **Competitive cost position**
  - Complete transfer of UK activities towards planned completion in December 2006
  - Complete transfer of CtP processor production from Denmark to Slovakia
  
- **Compete in CtP processor market**
  - Manage CtP processor sales through competitive, market and technological challenges
  
- **New Business Development**
  - Successful development of iCtP and Punch & Bend activities
  - Further steps towards New Business Development



# Competitive cost position



## Objective:

### ■ Competitive cost position

- Complete transfer of UK activities towards planned completion in December 2006
- Complete transfer of CtP processor production from Denmark to Slovakia

## Status

### ■ Slovakia

- Organization growing as planned, from 60 to 93 employees by December 2006
- Quartz CtP platform and Plateline equipment transferred from UK
- H1 share of total CtP processor units produced is 44%

### ■ UK

- Buildings sold June 2006
- Manufacturing ceased in November 2006
- Buildings vacated December 2006
- Employees gradually reduced from 77 to 0 by December 2006

### ■ Denmark

- Chemical Free CtP processor line transfer in process
- Last remaining CtP processor product line, Interplater HD, to be transferred Q2-Q3, 2007
- Global Sourcing initiative continues to transfer from Danish and English sub-suppliers to more competitive suppliers in lower cost countries

# Compete in CtP processor market



## Objective:

- **Compete in CtP processor market**
  - Manage CtP processor sales through competitive, market and technological challenges

## Status:

- **Market**
  - Market shift of CtP technology installations towards medium segment continues
  - Processless plate technology now available from most major plate manufacturers and gaining widespread acceptance in market
- **G&J performance**
  - CtP processor revenue declines by 5% while unit sales fall 7%
    - Medium market sales decline as processless installations gain market share
    - High end sales are unchanged compared to H1-FY06
  - Continued Revenue decline expected, as the market share of processless plates in new CtP installations are predicted to continue to increase

# New Business Development



## Objective:

### ■ New Business Development

- Successful development of iCtP and Punch & Bend activities
- Further steps towards New Business Development

## Status:

### ■ iCtP technology

- Supply chain of consumables and ink undergoes significant changes in order to improve stability and reduce cost
- US sales continue to be restrained by consumables supply situation
- European test result are encouraging, but launch awaits solution on consumables
- Revenue expectation for FY07 is below DKK 10 Million, but expected to increase in FY08

### ■ Punch-Bend

- Revenue growth delayed and Gross Margin under pressure due to tough competition
- Management and Sales management changed
- Production and administrative systems significantly improved and delivery lead-times reduced

### ■ Operating result

- New product groups influence EBITA negatively by approx. DKK 14 Million

H1 2006/07



# P&L, H1 2006/07 vs. last year



	Group H1 2006/07 DKKm	Group H1 2005/06 DKKm	Index
1 June - 30 November			
<b>Revenue</b>	<b>244.1</b>	<b>238.5</b>	<b>102</b>
Gross Margin, %	23.3	25.5	-2.2pp
<b>Fixed expenses</b>	<b>53.1</b>	<b>39.6</b>	<b>134</b>
<b>EBITA</b>	<b>3.7</b>	<b>21.3</b>	<b>17</b>
EBITA margin, %	1.5	9.0	-7.5pp
<b>Special items</b>	<b>5.2</b>	<b>(15.9)</b>	<b>-</b>
<b>Net profit</b>	<b>5.8</b>	<b>3.9</b>	<b>148</b>

# Cash Flow, H1 2006/07 vs. last year



1 June - 30 November

	Group H1 2006/07 DKKm	Group H1 2005/06 DKKm	Change
<b>Cash flow without special items</b>			
Cash flow from operations	(13.1)	24.2	(37.3)
Net operational investment	(6.9)	(9.2)	2.3
<b>Free cash flow without special i.</b>	<b>(20.0)</b>	<b>15.0</b>	<b>(35.0)</b>
<b>Special item impact:</b>			
Cash flow from operations	(19.2)	(1.1)	(18.1)
Sale of building in UK	23.2	0.0	23.2
<b>Free cash flow in total</b>	<b>(16.0)</b>	<b>13.9</b>	<b>(29.9)</b>

# Balance Sheet, H1 2006/07



	<b>Group Nov 30, 2006 DKKm</b>	<b>Group May 31, 2006 DKKm</b>	<b>Change</b>
<b>Total Assets</b>	<b>326.1</b>	<b>333.2</b>	<b>-7.1</b>
<b>Net interest bearing debt</b>	<b>84.5</b>	<b>64.5</b>	<b>-20.0</b>
<b>Equity Ratio, %</b>	<b>49.9</b>	<b>48.2</b>	<b>1.7</b>

# Amalgamation of share classes





# Amalgamation of share classes



## ■ Reasons for Amalgamation

- The strategy is to invest outside the processor equipment business
- The amalgamation of the share classes will strengthen the company's position
  - To attract new capital if necessary
  - To form alliances using shares as a method of payment
- No such initiatives are planned at present

## ■ Effect on voting rights

	Share capital DKK	Votes - prior	Votes - post
Class A shares	6,080,000	60%	13%
Class B shares	40,420,000	40%	87%
Total	46,500,000	100%	100%

## ■ Process completion expected by June 2007

# Questions





Thank You !

Please visit us at [www.glunz-jensen.com](http://www.glunz-jensen.com)

GLUNZ & JENSEN 